

CHAPMAN AND CUTLER

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Henry E. Cutler
1879-1959

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February 26, 1998

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50 South Main Street
Salt Lake City, Utah 84144
(801) 533-0066

Mr. Vernon A. Williams, Secretary
Surface Transportation Board
1925 K Street, N.W., Room 704
Washington, D.C. 20423-0001

RECORDATION NO. 21241 F FILED

FEB 26 '98

3-15 PM

Re:

Union Pacific Railroad Company
Leveraged Lease Locomotive Financing
UPRR 1998-B

Dear Mr. Williams:

I am enclosing for recording pursuant to Section 11301 of Title 49 of the United States Code, two original copies of the document described below. As one of the attorneys representing the Lessee in this transaction, I have knowledge of the matters described in this letter.

The enclosed document is as follows:

Memorandum of Lessor Security Agreement (UPRR 1998-B), dated February 27, 1998, between SCL Union Co., Ltd., as lessor (the "Lessor"), and Union Pacific Railroad Company, as lessee (the "Lessee").

The names and addresses of the parties to the enclosed document are as follows:

Lessee: Union Pacific Railroad Company
1717 Main Street, Suite 5900
Dallas, Texas 75201-4605

Lessor: SCL Union Co., Ltd.
7-1, Nakase 1-chome
Mihama-ku, Chiba-shi
Chiba, 261 Japan
Attention: Representative Director

The underlying Lessor Security Agreement provides, *inter alia*, for the granting of a junior security interest in certain Locomotives (the "Equipment") in favor of the Lessee.

The description of the Equipment covered as of the date hereof by the aforesaid Memorandum of Lessor Security Agreement is as set forth on Exhibit A hereto.

A fee of twenty-four dollars (\$24.00) is enclosed. Please time and date stamp the enclosed copies of the enclosed document along with the extra copy of this letter as proof of filing and recordation of the enclosed document and return the original and any extra copies of such document and this letter not needed by the Board for recordation to:

C O P Y

CHAPMAN AND CUTLER

Karl T. Williams, Esq.
Chapman and Cutler
111 West Monroe
Chicago, Illinois 60603

A short summary of the document to appear in the index follows:

MEMORANDUM OF LESSOR SECURITY AGREEMENT:

Memorandum of Lessor Security Agreement (UPRR 1998-B) between SCL Union Co., Ltd., as Lessor, 7-1, Nakase 1-chome, Mihama-ku, Chiba-shi, Chiba, 261 Japan Attention: Representative Director, and Union Pacific Railroad Company, as Lessee, 1717 Main Street, Suite 5900, Dallas, Texas 75201-4605, dated February 27, 1998, covering certain diesel electric locomotives bearing the road numbers listed in the Schedule attached thereto.

If you have any questions or need further information, please do not hesitate to contact the undersigned (312-845-3892).

Sincerely,

CHAPMAN AND CUTLER

By 15/ Karl Williams
Karl T. Williams

KTW/wp
Enclosure

CHAPMAN AND CUTLER

EXHIBIT A

UNITS

EQUIPMENT	QUANTITY	ROAD NUMBERS
General Motors Corporation (Electro-Motive Division) Model SD9043MAC Diesel Electric Locomotives	20	8184 8191 8193 8195 8202 8203 8205 through 8208, inclusive, 8210 through 8212, inclusive, 8214 8215 8218 8220 8221 8224 and 8226

C O P Y

FEB 26 '98

3-15 PM

**MEMORANDUM OF LESSOR SECURITY AGREEMENT
(UPRR 1998-B)**

Memorandum of Lessor Security Agreement, made and entered into on February ²⁷~~26~~, 1998 by and between SCL Union Co., Ltd., a Japanese corporation ("*Lessor*"), and Union Pacific Railroad Company, a Delaware corporation ("*Lessee*").

WITNESSETH:

The undersigned have entered into that certain Lessor Security Agreement (UPRR 1998-B), dated February 12, 1998, whereby the Lessor has granted to the Lessee a security interest in certain locomotives bearing road numbers as listed on Exhibit A attached hereto.

IN WITNESS WHEREOF, the parties hereto have each caused this memorandum to be duly executed by their respective officers duly authorized as of the date and year first above written.

SCL UNION CO., LTD.

By Kathryn A. Kapusta
Name: Kathryn A. Kapusta
Title: Attorney-in-Fact

Executed on this 17th day of February, 1998.

UNION PACIFIC RAILROAD COMPANY

By _____
Name: John B. Larsen
Title: Assistant Treasurer

Executed on this ____ day of February, 1998.

**MEMORANDUM OF LESSOR SECURITY AGREEMENT
(UPRR 1998-B)**

Memorandum of Lessor Security Agreement, made and entered into on February ²⁷/~~26~~, 1998 by and between SCL Union Co., Ltd., a Japanese corporation ("*Lessor*"), and Union Pacific Railroad Company, a Delaware corporation ("*Lessee*").

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IN WITNESS WHEREOF, the parties hereto have each caused this memorandum to be duly executed by their respective officers duly authorized as of the date and year first above written.

SCL UNION CO., LTD.

By _____
Name: Kathryn A. Kapusta
Title: Attorney-in-Fact

Executed on this ____ day of February, 1998.

UNION PACIFIC RAILROAD COMPANY

By 
Name: John B. Larsen
Title: Assistant Treasurer

Executed on this 17th day of February, 1998.

Pennsylvania
STATE OF ~~NEW YORK~~
COUNTY OF Philadelphia } SS.:

On this, the 18 day of February, 1998, before me, a Notary Public in and for said County and State, personally appeared Kathryn A. Kapusta, who being by me duly sworn, says that she is the Attorney-in-Fact of SCL UNION CO., LTD., that said instrument was signed on February 17, 1998 on behalf of said corporation by authority of its Board of Directors, and she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

Patricia G. Figgs
Notarial Seal
Patricia G. Figgs, Notary Public
Philadelphia, Philadelphia County
My Commission Expires Aug. 9, 2001
Notary Public
Member, Pennsylvania Association of Notaries
My Commission Expires 8/9/2001
Residing in Philadelphia

STATE OF TEXAS)
) SS.:
COUNTY OF DALLAS)

On this, the ____ day of February, 1998, before me, a Notary Public in and for said County and State, personally appeared John B. Larsen, who being by me duly sworn, says that he is the Assistant Treasurer of UNION PACIFIC RAILROAD COMPANY, that said instrument was signed on February __, 1998 on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

Name:
Notary Public
My Commission Expires:
Residing in _____

STATE OF NEW YORK)
) SS.:
COUNTY OF _____)

On this, the _____ day of February, 1998, before me, a Notary Public in and for said County and State, personally appeared Kathryn A. Kapusta, who being by me duly sworn, says that she is the Attorney-in-Fact of SCL UNION CO., LTD., that said instrument was signed on February __, 1998 on behalf of said corporation by authority of its Board of Directors, and she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

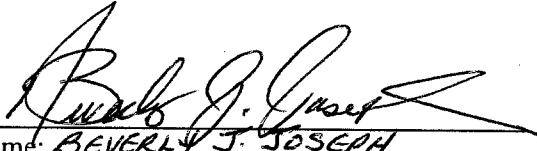
IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

Name:
Notary Public
My Commission Expires:
Residing in _____

STATE OF TEXAS)
) SS.:
COUNTY OF DALLAS)

On this, the 17th day of February, 1998, before me, a Notary Public in and for said County and State, personally appeared John B. Larsen, who being by me duly sworn, says that he is the Assistant Treasurer of UNION PACIFIC RAILROAD COMPANY, that said instrument was signed on February 17, 1998 on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.



Name: BEVERLY J. JOSEPH
Notary Public
My Commission Expires: 10-12-99
Residing in DALLAS, TEXAS

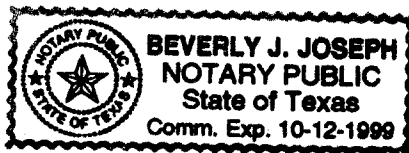


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